Investments by Multinational Companies

4737. SHRI CHIMANBHAI MEHTA:

SHRI ANANTRAY DEV. SHANKER DAVE:

Will the PRIME MINISTER be pleased to state:

(a) whether multinational companies are prepared to make investments in India, if so, on what terms and conditions;

(b) what is the number of the multinational companies who have invested in last three years and what is the quantum of their investment;

(c) what is the amount they have repatriated;

(d) what is the employment they have generated; and

(e) whether it is a fact that China attracted 43 billion US dollar investment in last several years, if so, what are the conditions that attract foreign investments in China while they are slow to invest in India?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) (SHRIMATI KRISHNA SAHI): (a) Yes, Sir. The Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991 spells out the terms and conditions for foreign investment in the country.

(b) Details of foreign collaboration approvals involving foreign investment during the last three years are as under:—

Calender Year	No. of F.C. approvals involving foreign investment	Total amount of foreign Investment approved
		(Rs. in crores)
1989	194	316·67
1990	194	128·32
1991	289	534.12

(c) and (d) Information on the amount repatriated by foreign companies and employment generated is not centrally maintained in the Ministry.

(e) As per recent information received, China has secured upto 1991, actual utilisation of foreign investment of more than 20 billion US dollars. Factors responsible for attracting foreign investment in China reportedly are:—

Low custom tariff, tax concessions, permitting repatriation of profits, even offering greater tax and custom concession than stipulated in the contracts, opening all sectors of economy, etc.

Various policy initiatives taken by the Government since July, 1991 have generated considerable interests among foreign investors of all countries. Total foreign investment approved in one year of the post policy period (August'91—July' 92) amounted to Rs. 1953.64 crores. This is more than one and half times the total foreign investment approved in the last decade (1981-1990).

Employment in Public Sector Undertakings

4738. SHRI CHIMANBHAI MEHTA:

SHRI ANANTRAY DEV. SHANKER DAVE:

Will the PRIME MINISTER be pleased to state:

(a) what is the employment in the large scale public sector undertakings as on date;

(b) what are the exports, at advalorem, in 1990-91, of SSI manufactured goods excluding handicrafts; and

(c) the countries where bulk SSI exports are taking place?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY AND DEPARMENT OF PUBLIC ENTERPRISES. (SHRI P. K. THUNGON): (a) As on 31-3-1991, upto which period only the information is available, the employment in the Central public sector enterprises as a whole was 22.17 lakhs.

(b) and (c) The exports of manufactured goods from SSI sector excluding handicrafts during 1990-91 stood at Rs. 8625.32 crores. The break-up of SSI exports to different countries is not maintained.

Protest by INS against news print price hike

4739. SHRI PRAMOD MAHAJAN: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Indian Newspaper Society have protested against the recent hike in prices of Newsprint by Public Sector Undertakings; and

(b) if so, what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) (SHRIMATI KRISHNA SAHI): (a) and (b) Government have received representations from the Indian Newspaper Society and have directed the Bureau of Industrial Costs & Prices (BICP) to study the propriety of price increase.

100 percent equity in foreign investments

4740. SHRI TINDIVANAM G. VENKATRAMAN: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to allow 100 percent equity in foreign investments in industrial sector depending upon economic benefits of projects; and

(b) if so, the nature of ventures and the nature and extent of economic benefits contemplated in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) (SHRIMATI KRISHNA SAHI): (a) and (b) As spelt out in the Statement on Industrial Policy, tabled in both Houses of Parliament on 24th July, 1991, industries listed in Annex. III are eligible for automatic approval by the RBI for direct foreign investment upto 51 per cent provided the foreign equity covers foreign exchange requirement for imported capital goods. Other proposals for foreign investment outside the parameters for automatic clearance, including proposals envisaging foreign investment of more than 51 per cent, are also considered and cleared on merits by the Government. The facility of foreign equity investment upto 100 per cent in fully (100 per cent) Export Oriented units is available. Further, NRIs and Overseas corporate bodies predominantly owned by them are also permitted upto 100 per cent foreign equity investment in high priority Annex-III industries. The facility of foreign equity investment upto 100 per cent is also available in power sector.